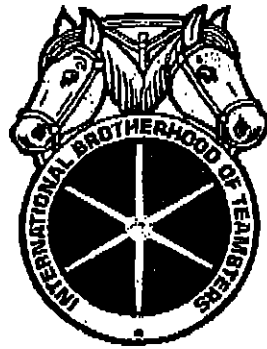


# **TEAMSTERS LOCAL 553, IBT**



## **MYSTIC TANK LINES, INC. CONTRACT**

**ASTORIA & BAYSHORE TERMINALS**

**AUGUST 1, 2006 - JULY 31, 2009**

**AUGUST 1, 2006 - JULY 31, 2009**

**THIS AGREEMENT, made and entered into by and between**

**MYSTIC TANK LINES, INC.  
1901 STEINWAY STREET  
ASTORIA, N.Y. 11105**

**COVERING THE ASTORIA AND BAYSHORE TERMINALS**  
hereinafter referred to as the "EMPLOYER" and

**COAL, GASOLINE AND FUEL OIL TEAMSTERS, CHAUFFEURS, HELPERS, OIL BURNER INSTALLATION,  
MAINTENANCE, SERVICEMEN, AND HELPERS OF NEW YORK CITY AND VICINITY, NASSAU AND SUFFOLK  
COUNTIES, NEW YORK, NY, LOCAL UNION NO. 653, IBT  
265 WEST 14TH STREET, SUITE 305, NEW YORK, N.Y. 10011  
AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS**

hereinafter referred to as the "UNION"

This Agreement shall continue in full force and effect for a period commencing August 1, 2006 to July 31, 2009 and shall continue in effect from year to year thereafter unless terminated by either party on sixty (60) days written notice to be given by the party electing to terminate. Within said period of sixty (60) days the parties hereto shall confer for the purpose of mutually considering upon what terms and conditions this Agreement may be amended instead of terminating.

**WITNESSETH:**

WHEREAS, it is the intent and desire of the parties hereto to foster and promote sound, stable and peaceful labor relations between the Employer, its employees covered by this Agreement, and the Union, and to establish a basic understanding relative to rates of pay and other conditions of employment;

NOW, THEREFORE, the parties hereto mutually agree as follows:

**ARTICLE I - COVERAGE**

The Employer recognizes the Union as the duly authorized representative and bargaining agent for all Chauffeurs, Truck Maintenance Mechanics and Mechanic's Helpers.

**ARTICLE II - UNION SECURITY**

A. All present employees who are members of the Union on the execution or effective date of this Agreement, whichever is later, shall remain members of the Union in good standing as a condition of employment. All present employees, who are not members of the union, and all employees hired hereafter, shall become and remain members in good standing of the Union as a condition of employment, on or after the 31st day following the beginning of their employment, on or after the 31st day following the execution or effective date of this Agreement, whichever is later.

B. The Employer agrees to discharge any employee within seven (7) days after receipt of written notice from a properly authorized official of the Union for failure to comply with the above requirements.

**ARTICLE III - CHECK-OFF**

The Employer shall deduct from each employee's wages an amount equal to the initiation fees and membership dues, and turn over said amount once each month no later than the 10th day of the month, to the Secretary-Treasurer of the Union provided that the employee has duly signed, dated and delivered to the Employer, the written authorization form for such deductions.

**ARTICLE IV - EMPLOYER PREMISES**

The Employer agrees to permit a Union representative to visit the Employer's premises during working hours to discuss grievances provided that he shall not interfere with the normal flow of work.

D. Notwithstanding the foregoing, any employee who is terminated for cause or who voluntarily resigns shall forfeit all seniority rights.

E. The Employer shall post a seniority list at each terminal and indicate on a daily basis employees who worked on the previous day.

F. Employees accepting a position with the Employer outside of the bargaining unit shall retain their seniority rights for a period of six (6) months.

#### **ARTICLE X - STRIKES & LOCKOUTS**

The parties agree that there shall be no lockout on the part of the Employer and no strikes, slowdowns, on the part of the Union.

#### **ARTICLE XI - PICKET LINES**

No employee covered by this Agreement shall be subjected to disciplinary action by the Employer for refusing to cross a lawful primary picket line.

#### **ARTICLE XII - HOSPITALIZATION**

A. The Employer shall provide hospitalization, medical, major medical, prescription drug plan and dental benefits, in accordance with the provisions of the Summary Plan Description for Mystic Tank Lines Inc. without any contribution toward the premium from the employee, for each employee who has passed the probationary period and his/her eligible dependents, except that employees hired after May 1, 1999 shall only be eligible for single coverage for the first year of employment, and those employees may purchase family coverage during this time at their own expense. The Employer shall maintain the level of benefits as described in the Summary Plan Description during the term of this Agreement. The Employer shall have the right change networks, carriers, continue self-insurance or fully insure the Plan in its sole discretion, provided, however, that the benefits are the same and the new carrier/network is nationally/geographically recognized and further provided that the Employer shall give written notice to the Union of any change thereto.

B. Medical Benefits - Employees and their eligible dependents shall have the option of using a physician within the PPO network of physicians, in which case they will not be subject to an annual deductible or coinsurance, except for the co-payment for office visits and other in network services. Alternatively, employees and their eligible dependents may use a physician who is not included in the PPO network of physicians will be subject to the applicable deductibles and coinsurance (benefits are more fully described in the United Benefit Plans Inc. for Mystic Tank Lines, Inc. booklet):

#### **PRESCRIPTION DRUGS**

##### **Co-pay**

Generic \$10.00

Formulary \$25.00

Brand \$50.00

Mandatory Generic

Voluntary Mail - In refills (Two co-pays for three refills)

- C. An employee called into work shall be guaranteed a minimum of eight (8) hours pay.
- D. Employees (mechanics & drivers) shall take a one-half-hour non-paid lunch period as close to the middle of the day as possible.
- E. The Union recognizes that Mystic Tank Lines, Inc. is a full service interstate trucking company and understands that there are times when it is impossible to schedule work at exactly ten hours or five days.

#### ARTICLE XIV - VACATIONS

- A. All employees covered by this Agreement shall be eligible for paid vacations according to the following schedule:
1. Employees who worked at least 100 days in the prior calendar year shall receive one week of paid vacation.
  2. Employees who worked at least 125 days in the prior calendar year shall receive two weeks of paid vacation.
  3. Employees who have ten years of seniority based on their anniversary date of hire, and who have worked at least 125 days in the prior calendar year shall receive three weeks of paid vacation.
  4. Employees who have fifteen years of seniority based on their anniversary date of hire, and who have worked at least 125 days in the prior calendar year shall receive four weeks of paid vacation.
- B. A week's vacation pay shall be calculated at the rate of two (2%) percent of the employee's earnings in the previous calendar year. A week's vacation shall be scheduled in seven (7) consecutive days.
- C. The Employer reserves the right to schedule vacations in accordance with the efficient operation of its business. The Employer agrees, however, to give due consideration to the desires of the employees, and to make every effort to accommodate requests for vacations to coincide with an employee's regularly scheduled work week. In the event that two (2) or more employees desire to take vacations at the same time, seniority shall prevail to selecting a given vacation period. The vacation period shall be January 1st through December 31st. The Employer shall determine the number of employees allowed in any week to take vacation. No change in an employee's approved vacation may be made unless mutually agreed to by the employee and the Employer.
- D. If the employment of any employee with six (6) months seniority or more is terminated, or ceases for any reason, said employee is to receive accumulated vacation pay on a pro-rata basis for the actual time worked during the contract year.

#### ARTICLE XV - HOLIDAYS

- A. The following holidays shall be granted to all employees covered by this Agreement, irrespective of the day of the week in which such holiday occurs:
- |                               |                      |                  |
|-------------------------------|----------------------|------------------|
| New Year's Day                | Memorial Day         | Election Day     |
| Martin Luther King's Birthday | July 4 <sup>th</sup> | Veteran's Day    |
| President's Day               | Labor Day            | Thanksgiving Day |
| Good Friday                   | Columbus Day         | Christmas        |
- B. Eligible employees shall receive holiday pay at ten (10) times applicable hourly rate for drivers; at eight (8) times applicable hourly rate for mechanics.
- C. Any employee working on a holiday shall receive holiday pay in accordance with Section B, plus pay for all hours worked with a minimum of eight hours. However, any employee working Christmas Day or Thanksgiving Day shall receive Two and One-half (2 ½) times their regular hourly rate for all hours worked.
- D. In order to be eligible for holiday pay, an employee must work two days in the holiday week and be available for work on the last regularly scheduled work day before and after the holiday.

**ARTICLE XIX - UNIFORMS**

Each employee will receive five (5) sets of uniforms which must be worn. In case a uniform gets torn or ripped after it is one year old, the Employer will replace the worn out or torn garment if it is turned in. If the garment is destroyed in less than one year, then the employee is responsible for it.

If an employee leaves the employ of the Employer while a garment is one year old, the Employer will deduct twenty (\$20.00) dollars per set from the employee's last pay check for each garment not returned to the Employer.

The Employer shall provide mechanics with disposable coveralls for entering tanks.

**ARTICLE XX - SAVINGS CLAUSE**

If any provision of this Agreement should be held or adjudged illegal, or in violation of any present or future law, such adjudication shall not invalidate any other portion or provision of this Agreement nor relieve any party thereto from their liabilities and obligations under this Agreement, but the remainder shall continue in full force and effect. In the event that any portion of said Agreement is held illegal as above mentioned, the parties agree to meet promptly in order to agree upon a proper and legal substitute.

**ARTICLE XXI - DISCRIMINATION**

The Employer shall not discriminate against any person because of membership in the Union. The provisions of this Agreement shall be applied to all employees covered by this Agreement without discrimination because of race, creed, color, religion, sex, national origin, age, sexual orientation, marital status, disability, or status as a Vietnam-era or special disabled veteran in accordance with applicable federal and state laws. Any reference to the male in this agreement shall include the female gender.

**ARTICLE XXII - BEREAVEMENT**

An employee who has at least two years of seniority with the Employer, and who is working or posted for work, shall be granted three (3) days off with pay (based on eight hours) in the event of a death in the family. Family is defined as Father, Mother, Spouse, Brother, Sister, Child, Mother-in-law, Father-in-law.

**ARTICLE XXIII - JURY DUTY**

Employees who are required to serve on a jury during a period when they would be scheduled to work shall be entitled to receive the difference between the jury pay and the hourly wage rate which they would have otherwise have earned (based on eight hours). The maximum amount payable under this provision will be five (5) days of Jury Duty for the term of this Agreement. The employee must give the Employer a copy of the Jury Duty Notice when the employee receives it and the employee will deliver to the Court the Employer's request for a postponement.

**ARTICLE XXIV - PAY CHECKS**

Pay checks shall be available to employees on the regular pay day (Thursday) no later than 3:00 P.M. for employees at the Astoria branch and no later than 6:00 P.M. for employees at the Bay Shore branch. If a holiday falls on Thursday employees shall be paid on Wednesday. When a holiday falls prior to Thursday the employees shall be paid Thursday.

**SCHEDULE 1****BULK DRIVER HOURLY RATES**

Effective: 8/1/06 8/1/07 8/1/08

A. \$23.00/hour \$23.50/hour \$24.00/hour

B. Drivers hired on or after May 1, 1996 shall be paid Two (\$2.00) dollars per hour less than the above rates during their probationary period; One (\$1.00) dollar per hour less than the above rates during the remainder of their first year of employment; Additionally, Drivers hired on or after May 1, 2002 shall receive Fifty (.50) cents per hour less during their second year of employment at the end of which time they will receive the regular rate of pay then in effect.

**SCHEDULE 2****TRUCK MAINTENANCE MECHANICS AND HELPERS****A. JOB CLASSIFICATION**

Working Foreman is an employee possessing the knowledge, experience, qualification and ability to completely and entirely repair and/or rebuild all parts of automotive equipment without supervision. He must be capable of operating all types of machines, equipment and tools needed in the repair and rebuilding of all parts of automotive equipment. In addition, he must have the qualifications necessary to supervise other truck maintenance personnel and should be actually engaged in performing such duties.

Class "A" Mechanic is an employee who can perform all duties of the working foreman without the responsibility of supervising other Truck maintenance personnel.

Class "B" Mechanic is an employee who does not have the same skills of a Class "A" Mechanic but has sufficient skills which, under supervision, allow him to perform many of the duties of a Class "A" Mechanic.

Class "C" Mechanic is an employee who is not sufficiently skilled in mechanical work; however, he may perform duties in assisting truck mechanics and/or any other duties the foreman and/or supervisor may direct him to perform.

**B. MECHANIC WAGES PER HOUR**

<u>CLASSIFICATION</u>	<u>8/1/06</u>	<u>8/1/07</u>	<u>8/1/08</u>
<u>Working Foreman</u>	<u>\$26.50</u>	<u>\$27.00</u>	<u>\$27.50</u>
<u>"A" Mechanic</u>	<u>\$25.60</u>	<u>\$26.00</u>	<u>\$26.60</u>
<u>"B" Mechanic</u>	<u>\$24.50</u>	<u>\$25.00</u>	<u>\$25.50</u>
<u>"C" Mechanic/Trainees/Helpers</u>	<u>\$18.75</u>	<u>\$19.25</u>	<u>\$19.75</u>

**ARTICLE XXV - TERM**

This Agreement shall become effective August 1, 2006 and shall continue in full force and effect until July 31, 2009 and from year to year thereafter until terminated at the end of any such period, by either party giving written notice to the effect to the other party, sixty (60) days prior to such termination date by Certified mail.

- E. An employee must have completed his probationary period to be eligible for holiday pay.
- F. Senior employees may decline work on a holiday, so long as there are enough less senior employees to perform the declined work.

**ARTICLE XVI - MYSTIC BULK CARRIERS, INC. 401K PLAN \***

- A. Effective August 1, 2006 the Employer shall contribute Fifty cents (.50) per hour for each hour worked for eligible employees to the Mystic 401K Plan. There shall be no cap on the number of hours worked for which contributions are made to the 401K Plan. Effective January 1, 2007 the contribution shall be increased to One Dollar (\$1.00) per hour. Effective January 1, 2008 the contribution shall be increased to One Dollar Twenty Five cents (\$1.25) per hour.
- B. Contributions by the Employer shall be made weekly into each individual's account. Contributions shall be required regardless of the number of hours an employee works in any week.
- C. All money contributed shall be immediately vested for eligible employees regardless of their length of service.
- D. An employee must have completed one (1) year of service to be eligible to participate in the 401K Plan.
- E. The Union shall have the right to audit Employer records to verify that appropriate contributions were made by the Employer on behalf of eligible employees.
- F. The present cost (in effect 5/1/02) for employee loans and withdrawals shall be frozen for the duration of this Agreement.

**G. CONVERT THE 401K PLAN TO PENSION PLAN**

The Union shall have the right to convert the Employer's contribution to the Company 401k Plan to the Local 553 Pension Fund to become effective January 1, 2007. The contribution rate to the Local 553 Pension Fund effective January 1, 2007 shall be \$1.35 per hour; effective January 1, 2008 shall be \$1.60 per hour; effective January 1, 2009 shall be \$1.76 per hour. Contributions shall be for all hours drawn pay to a maximum of 1700 hours for each employee per calendar year. The contribution rates shall support the benefit levels in accordance with the Segal Company actuarial projections. The Union shall notify the Employer by November 1, 2008.

In the event the Union elects to convert to the Local 553 Pension Plan, the contributions to the Mystic 401k Plan on behalf of employees in the bargaining unit shall cease and the employees shall be subject to the rules and regulations establishing said Plan with respect to their existing 401k accounts. All past contributions owed to employees 401k account shall be paid in full.

**ARTICLE XVII - SICK LEAVE**

Employees who have completed one or more years of service will earn sick leave at the rate of one (1) day for every ten (10) weeks of employment.

Employees who have completed one or more years of service by December 1, will be eligible to borrow up to five (5) sick days during the period of December 1, to November 30, before they are earned. In no event may an employee be paid for more than five (5) sick days during the year from December 1 to November 30.

If any employee has borrowed extra sick leave days and leaves the Employer's employ, such used unearned sick leave pay shall be deducted from their final pay checks. Any unused sick leave shall be paid to employees on or about December 15th of the calendar year. Sick leave shall be paid at the rate of eight times the employee's hourly rate per day for mechanics; at the rate of ten times the employee's hourly rate per day for drivers.

Employees shall not be entitled to a sick leave day on the day prior to or on the day after a holiday.

**ARTICLE XVIII - DRIVER TRAINING**

Drivers who work with trainees and who have the responsibility of instructing said trainees shall receive an additional \$30.00 per day.



IN NETWORK		OUT OF NETWORK	
	Co-pay		Individual / Family
Physician	\$ 25.00	Deductible	\$ 500 / \$ 1500
Specialist	\$ 40.00	Out of Pocket Maximum	\$ 3000 / \$ 7000
X-ray, Lab work	\$ 25.00		
Major Diagnostic Tests (MRI, CAT SCAN, ECT.)	\$100.00	Emergency Room (waived if admitted)	Co-pay \$ 100.00
Emergency Room (waived if admitted)	\$100.00	In Patient Hospital	\$ 500.00
In Patient Hospital	\$ 500.00		

**OPT OUT OPTION**

If an employee is covered by another medical plan, and chooses to opt out (waive coverage) of the medical or dental plan he shall receive a monthly payment as follows;

	MEDICAL	DENTAL
Family	\$ 250.00	\$ 20.00
Individual	\$ 125.00	\$ 5.00

An employee may opt back into the plan under the company's re-enrollment procedure.

D. Dental Plan Benefits - Employees and their eligible dependents shall have the option of coverage using a Dentist in the Provider network, in which case they will not be subject to an annual deductible nor any co-payment for Part A Basic & Specialty Services and a 50% co-payment for Part B Basic & Specialty Services. Alternatively, employees and their eligible dependents may use a Non-Participating Dentist subject to applicable deductible and co-payment (benefits are more fully described in the Network Provider Group Program DMO/Dental Coverage booklet).

E. Life Insurance Benefits - \$65,000 for named employee  
Double indemnity of \$130,000

F. Disability Coverage - Maximum Benefit \$275.00 per week  
Maximum Period Twenty-six (26) weeks

The Employer shall continue to provide disabled employees with hospitalization, major medical, prescription and dental benefits for a period not to exceed six (6) months. The Employer shall continue to provide disabled employees with life insurance for a period not to exceed nine (9) months.

The Employer reserves the right to have an employee examined by an Employer appointed physician if that employee is out on Disability Insurance in excess of thirty (30) days, at the Employer's expense.

**ARTICLE XIII - NORMAL WORK TIME**

As required due to Employer being a service company;

A. The Employer agrees that under normal conditions, it will make every effort to limit an employee's work day to ten (10) hours.

B. The Employer agrees that under normal conditions, it will make every effort to limit an employee's work week to five days. In the event that there is a need for additional days in the work week, it will be done on a seniority basis where the person is qualified to do the work.



#### **ARTICLE V - SHOP STEWARD**

The Union shall have the right to designate one shop steward for drivers and one shop steward for mechanics at each of the Employer's locations. The shop steward shall have top seniority in the shop of the Employer for all layoff purposes and recall.

#### **ARTICLE VI - PROBATIONARY PERIOD**

During the first forty-five (45) calendar days of employment, new employees shall be deemed to be on probation. The Employer may request in writing to the Union a forty-five (45) day extension of the probationary period which may be granted by the Union in its complete discretion not subject to the arbitration procedure of this Agreement. There shall be no restriction upon the right of the Employer to discharge a probationary employee and such discharge shall not be subject to the grievance and arbitration procedure herein provided.

#### **ARTICLE VII - DISCHARGE**

The Employer shall have the right to discharge any employee covered by this Agreement for just cause. The Union shall have the right to challenge such discharge within five (5) days thereof, and in the event that the Union challenges such discharge, the same shall be adjusted as a grievance hereinafter provided.

#### **ARTICLE VIII - ADJUSTMENT OF DISPUTES**

Should any difference or dispute arise during the life of this Agreement regarding the meaning, interpretation or application of any of the provisions of this Agreement, it shall be adjusted in accordance with the following procedure:

a. The matter shall first be taken up between a representative of the Union and the Employer within ten (10) days after such dispute has arisen.

b. If said dispute shall not be adjusted within thirty (30) days thereafter, then the matter shall be submitted to arbitration, upon forty eight (48) hours written notice by either party to the other to an arbitrator who is mutually acceptable to the Union and the Employer, or in the event the parties are unable to agree on a mutually acceptable arbitrator, to an arbitrator designated by the New York State Employment Relations Board, or to the American Arbitration Association under its rules and regulations. The decision of the Arbitrator shall be final and binding upon both parties and shall be fully enforceable in law, or in equity. It is expressly understood and agreed, however, that the Arbitrator shall not have the power to amend, modify, or alter, in any way, add to or subtract from this Agreement, or any provision thereof. The cost of arbitration, if any, shall be borne equally by the Employer and the Union.

#### **ARTICLE IX - SENIORITY**

A. Seniority shall be on the basis of classification (i.e. driver and mechanics) at all times based on the date of commencement of employment and further providing the senior employee has the necessary qualification to perform the available work. All work shall be assigned on a seniority basis.

B. All layoffs shall be in the inverse order of seniority, that is, the last person hired shall be the first person laid off. In the event that additional employees shall be needed, all persons covered by this Agreement previously laid off within a period of six (6) months prior thereto, shall be rehired in the order of seniority, that is, the last person laid off, shall be the first person to be rehired, provided, however, that any employee so recalled must report for work within five (5) days after notification by the Employer, or failing to do so, shall forfeit all seniority rights.

C. When a driver at a terminal makes a written request to be transferred to another terminal, he shall be given the opportunity to fill a vacancy at the other terminal before any new employee is hired. If the employee requesting the transfer for the work at the terminal where the vacancy exists, is transferred, he shall be transferred and retain his seniority.

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MEMORANDUM OF AGREEMENT

IT IS HEREBY AGREED by and between Local 553, I.B.T. (the Union) and Mystic Tank Lines Corp. (the Employer) that the existing collective bargaining agreement between the Union and the Employer shall be amended by adding the following:

(a) The Employer agrees that on or before the 10th of each month, he will make contributions to Local 553 PENSION FUND for all hours for which pay is drawn, by an Employer for each of his employees covered by the collective bargaining agreement in the preceding month at the rate of one dollar and thirty five cents (\$1.35) per hour commencing as of January 1, 2007; and at the rate of one dollar and sixty cents (\$1.60) per hour effective January 1, 2008, and at the rate of one dollar and seventy six cents (\$1.76) per hour effective January 1, 2009. Such contribution shall be for all hours to a maximum of 1700 for each employee per calendar year.


(b) The Employer shall also make the required contribution to the PENSION FUND for each day on which a man who is not booked for work is summoned to appear, or is requested by the Employer to appear in court on Employer business. The Pension Plan of this PENSION FUND as established by the Board of Trustees shall at all times comply with the ruling of the Internal Revenue Service so as to continue in effect the ruling as to the deductibility of the employer contributions. The signing of this Memorandum of Agreement shall constitute the simultaneous assumption by the Employer of all obligations under the Agreement and Declaration of Trust governing the PENSION FUND. Upon request the Employer shall promptly sign a copy of such Agreement and Declaration of Trust.

(c) In the event an employee is laid off or discharged and the Employers' action is challenged by the Union, the Employer agrees that if such dispute is settled by

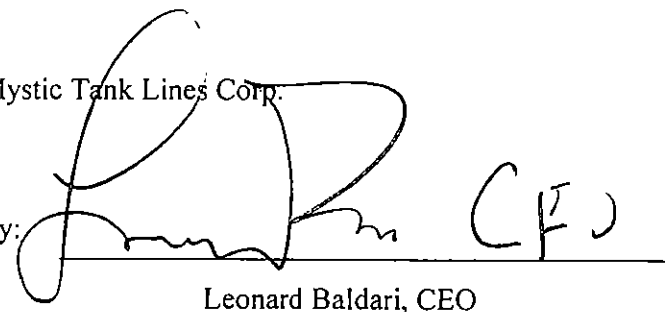
arbitration or otherwise and the settlement results in the payment of back wages to the employee, the Employer shall contribute to the PENSION FUND the appropriate contributions for all hours covered by the back wages payment. Failure by the Employer to make the required pension contributions shall constitute a breach of this contract.

(d) Effective January 1, 2007, bargaining unit employees shall cease being participants in the Employer sponsored 401K Plan and the Employer shall make no further contributions to said 401K Plan on behalf of bargaining unit employees. The employees current 401K balances shall be governed by the rules of the Plan Document establishing said 401K Plan and in accordance with IRS regulations.

Local 553, IBT

By: 

Demos P. Demopoulos, Secretary- Treasurer

Mystic Tank Lines Corp.  
By:  CFJ  
Leonard Baldari, CEO

Dated: 11-28-06

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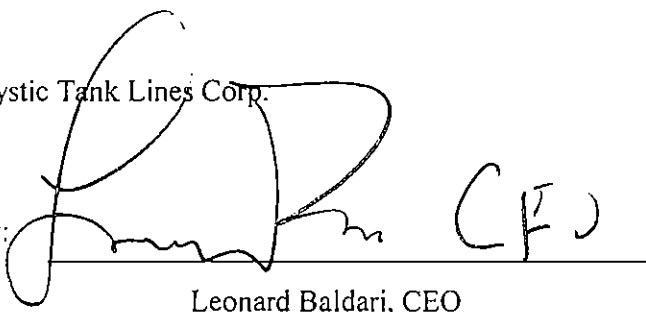
arbitration or otherwise and the settlement results in the payment of back wages to the employee, the Employer shall contribute to the PENSION FUND the appropriate contributions for all hours covered by the back wages payment. Failure by the Employer to make the required pension contributions shall constitute a breach of this contract.

(d) Effective January 1, 2007, bargaining unit employees shall cease being participants in the Employer sponsored 401K Plan and the Employer shall make no further contributions to said 401K Plan on behalf of bargaining unit employees. The employees current 401K balances shall be governed by the rules of the Plan Document establishing said 401K Plan and in accordance with IRS regulations.

Local 553, IBT

By: 

Demos P. Demopoulos, Secretary- Treasurer

Mystic Tank Lines Corp.  
By:  (F)

Leonard Baldari, CEO

Dated: 11-28-06